



State of North Carolina

Project Approval Requirements and Processes



Legislative Responsibility

- The State CIO (SCIO) has legislative oversight authority to review and approve State agency IT projects; to develop standards and accountability measures for IT projects (including criteria for adequate project management); to require status reporting; to assign a project management advisor (PMA); and, if necessary, to suspend projects.
- Ensure that quality IT projects are delivered in a cost effective and timely manner meeting all state technical and security requirements.
- IT consolidation is optimized.
- Avoid the duplication of Information Technology capabilities and resources across State agencies.
- Agencies must use the State infrastructure to host their applications unless the SCIO grants an exception based upon technology requirements and/or OSBM grants the exception based upon cost savings.
- The purpose of this legislation is to help to ensure that quality IT projects are delivered in a cost effective and timely manner to the State of North Carolina.



Statutory Requirements

G.S. 147-33.72C – Project Approval

- Project Review and Approval -- The State Chief Information Officer (SCIO) **shall**:
 - Review all State agency information technology projects that cost or are expected to cost more than five hundred thousand dollars (\$500,000), whether the project is undertaken in a single phase or component or in multiple phases or components.
 - Approve projects that meet established quality assurance requirements.
 - Establish thresholds to determine when projects costing less than \$500,000 must be reviewed and approved.
- Project Implementation
 - No State agency shall proceed with an information technology project until the SCIO approves the project.
- Suspension of Approval
 - The SCIO may suspend the approval of any information technology project that does not continue to meet the applicable quality assurance standards.
 - The SCIO must specify in writing to the agency the grounds for suspending the approval of any project.
 - The SCIO must notify OSBM and OSC when a project has been suspended.
 - OSBM shall not allow any expenditure of funds for a project that is no longer approved by the SCIO.



Statutory Requirements

G.S. 147-33.72D – Agency/State CIO Dispute Resolution

- When the SCIO has denied or suspended the approval of an information technology project, or has denied an agency's request for deviation, the agency may request a committee review of the SCIO's decision.
- The agency shall submit a written request for review to the State Controller within 15 working days following the agency's receipt of the State CIO's written grounds for denial or suspension.
- The review committee shall consist of the State Controller, the State Budget Officer, and the Secretary of Administration. The State Controller shall serve as the chair of the review committee.
- Within 30 days after initial receipt of the agency's request for review, the committee shall notify the agency and the SCIO of the decision in the matter. The notification shall be in writing, and shall specify the grounds for the committee's decision.



Statutory Requirements (cont)

G.S. 147-33.72E Project Management Responsibilities

- Agency
 - Must provide a project manager, subject to the review and approval of the SCIO, for projects that require SCIO approval.
 - Agency project managers must provide periodic reports to the PMA.
- State Chief Information Officer (SCIO)
 - Must designate a project management assistant (PMA) for a project that receives approval and is expected to cost more than \$1 million, whether the project is undertaken in single or multiple phases or components.
 - May designate a project management assistant for any other information technology project.
- EPMO / Project Manager Advisor (PMA)
 - Be aware of all project meetings during the project lifecycle and have the ability to attend meetings as needed.
 - Advise the agency with the initial planning of a project, the content and design of any request for proposals, contract development, procurement, and other technical reviews.
 - Monitor agency progress in the development and implementation of the project.
 - Provide status reports to the State Chief Information Officer, including recommendations regarding continued approval of the project.



Statutory Requirements (cont)

GENERAL ASSEMBLY SESSION LAW 2011-145 HOUSE BILL 200

- **SECTION 6A.2.(d)** Agency Projects. – Prior to initiation, any information technology project, or any segment of a multipart project, costing more than two hundred fifty thousand dollars (\$250,000) shall be included in the agency's most recent information technology plan and shall be approved by the General Assembly.
- **SECTION 6A.2.(f)** Information Technology Hosting. State agencies developing and implementing information technology projects/applications shall use the State infrastructure to host their projects. An exception to this requirement may be granted only if approved by both the State Chief Information Officer on the basis of technology requirements and by the Office of State Budget and Management based on cost savings.
- **SECTION 6A.3** The State Chief Information Officer, through the Enterprise Project Management Office, shall develop a plan and adopt measures to avoid the duplication of information technology capabilities and resources across State agencies.



Statewide IT Project Approvers

- Enterprise Project Management Office (EPMO)
- Strategy & Architecture (SA)
- Office of State Budget and Management (OSBM)
- Office of the State Controller (OSC)
- State Chief Information Officer (SCIO)
- Senior Deputy State Chief Information Officer (SDSCIO)



Project Approval Process

- The Statewide Approvers (EPMO, SA, OSBM, OSC) meet every Thursday with the PMA's to review projects that have been submitted for gate approval. Although Statewide Procurement does not formally approve projects, they attend the meeting to ensure they are aware of the project status in relation to any procurement needed for the project.
- State Approvers provide analysis to the team regarding projects.
- State Approvers may discuss project information with Agency contacts.
- State Approvers approve or reject projects based on analysis.
 - Rule Of Thumb – Allow five (5) business days for a decisive action.
 - Projects providing thorough and accurate information that align with agency and state directives facilitate moving through the approval process more quickly than projects needing additional information or clarification of scope, budget/benefits, schedule, and/or technical components.
 - Large projects can push the envelope for normal processing and may require a more in depth review by any or all of the state approvers.
- If a state approver rejects a project, they will document the rejection reason in the approval workflow comments area of PPM and open an issue/s on the Issue Risk Tab.
- The project will move into the SCIO and SDSCIO workflow after all State Approvers approve the project.
- If any State Approver rejects the project, once all other State Approvers have taken action, the project will go back to the Agency workflow for processing.



Project Approval Process (cont)

- SCIO and SDSCIO meet as needed to review projects that have been approved by the Statewide Approvers.
- SCIO and SDSCIO approve or reject projects based on analysis and information provided on the project entered into the PPM Tool.
- If the SCIO or SDSCIO rejects a project, they will document the rejection reason in the approval workflow comments area and open an issue/s on the Issue Risk Tab.
- If the SCIO or SDSCIO rejects the project, the project will go back to the Agency workflow for processing.



EPMO IT Project Approval Role

- Provide advice and counsel throughout the project lifecycle.
- Advocate for project approval.
- Ensure project is planned and organized for success.
- Ensure the workflow phase exit criteria have been met.
- Verify and validate the Project Manager is a good “fit” for the project.
- Ensure that “Issues” and “Risks” are identified and managed.
- Ensure the project workflow and project processes are synchronized.
- Verify the project deliverables, cost, schedule, and scope are defined.
- Review projects to avoid the duplication of Information Technology capabilities and resources across State agencies.
- Before approving the project, validate the project (if over \$250K) is part of the Agency “IT” plan.
- Review RFP’s to ensure the scope matches the project scope.
- Work with Statewide IT Procurement office to ensure the project is in the proper workflow stage before the RFP is released, contract has been signed, or goods and services have been purchased.



SA IT Project Approval Role

- Perform architecture reviews to ensure:
 - The architecture of a system is documented.
 - The architecture provides a coherent description of the system.
 - The architecture conforms to the State and Agency principles, standards and plans.
 - The architecture is compatible with the legacy technical landscape.
 - The chosen technology and design is likely to achieve the projects goals and objectives and deliver a system that meets the required business goals.
 - Validate identity management as it relates to the use of NCID.
 - Hosting and Infrastructure.
 - Verify application hosting requirements. If the application is to be hosted outside the state infrastructure guide the agency to apply for a hosting exception with the SCIO.
 - Security requirements are met.
 - Ensure related legal and regulatory compliance requirements are addressed, e.g. HIPAA, FERPA, PII, IRS 1075, PCI and state standards and policies.
 - Ensure agency information security contact is identified.
 - Ensure adequate information security controls are invoked.
 - Review project information and determine level of project risk that could impact security requirements.
 - Validate identity management as it relates to the use of NCID.



SA IT Project Approval Role (cont)

- Perform RFP, IFB Reviews
 - Review prior to RFP or IFB being issued through the procurement office.
 - Ensure the requirements within the document being submitted has sensible technical language.
 - Ensure the RFP requires compliance with policy and architecture standards.
 - Review prior to contract award
 - Review BAFO responses in relation to technical solution.
 - Ensure the vendor response has sensible and responsive technical content.
 - Ensure the vendor response is or may be compliant with state and agency policies and standards.
 - Approve technology selections, architecture and strategy of proposal.



SA IT Project Approval Role (cont)

- SA Project workflow process
 - Project Initiation Review (Gate 1)
 - PPM Project Info Tab - Approve project goals, strategy, concept.
 - Iterative projects may propose how they will articulate architecture and design.
 - Registration projects may have to deliver more information because this is the only gate EA get to review .
 - Planning / Design Review (Gate 2)
 - Review complete T ASD (Technical Application System Design).
 - Ensure the proposed architecture is compliant with statewide policies and standards.
 - Ensure the T ASD articulates a coherent architecture likely to serve the goals of the proposed system and its stakeholders.
 - Review complete execution plan.
 - Review Procurement Plan (if applicable).



SA IT Project Approval Role (cont)

- SA Project workflow process
 - Execution / Build / Pilot Review (pre-release) (Gate 3)
 - Review updated T ASD and technical documents that may have changed during the E & B Phase.
 - Review Deployment and Rollout Plan.
 - Review Operational and Maintenance Transition Plan.
 - Review Disaster Recovery Plan.



OSBM IT Project Approval Role

- **Business Case Evaluation:**
 - Review system cost in conjunction with other team members
 - Ensure overall system cost is reasonable.
 - Ensure system implementation is efficient and effective and is not redundant.
 - Ensure the total cost of ownership(TCO) has been accurately estimated.
 - Ensure 5 years operations and maintenance (O & M) costs are included and are reasonable against industry averages.
 - Ensure 'under budgeted items' (such as staff time) have been included.
 - When an agency submits a hosting exception to not host on the state infrastructure, validate the hosting exception provides a cost savings to the state and work with the SCIO to take the appropriate action/s.
 - Review alternative analysis if over \$10M to evaluate alternative selection decisions. Determine if the make/buy decision was applicable.



OSBM IT Project Approval Role (cont)

- Projects over \$250K, validate the project's appropriation has been approved by the General Assembly.
- Projects over \$500K, review benefits for reasonableness
 - Benefits must be expressed in monetary terms.
 - Benefits must exceed cost and be attainable.
 - Benefits must be well articulated and measurable.
- Affordability Evaluation
 - Review cost to ensure monies are in the budget and can sustain the recurring cost streams driven by the project.
 - Review cost to ensure the agency/department has (for the current phase), or is likely to have, (for future phases) sufficient funds to complete the project.





OSC IT Project Approval Role

- **Support Financial Best Practices**
 - Determine if delivered functionality affects financial policies, procedures or practices.
 - Ensure project goals, objectives and deliverables support financial best practices.

- **Evaluate Relationships with OSC Enterprise Applications**
 - Identify relationships with existing OSC enterprise applications.
 - Determine if existing interfaces will be affected or new interfaces will be required.
 - Address potential for overlap with existing or planned functionality.
 - Ensure appropriate communication, coordination and collaboration.

- **Support Statewide E-Commerce Goals**
 - Leverage use of inbound and outbound electronic payments, including ACH and credit card transaction processing.
 - Ensure compliance with OSC policies relating to electronic payments.
 - Ensure project goals, objectives and deliverables support e-commerce best practices.
 - Ensure PCI compliance requirements are addressed.



PMA Role In The Project Lifecycle

- Key interface and primary contact for the project (Represent agency projects at project approval meetings)
- Early warning of high risk project problems
- Project/problem root cause analysis
- Interview PMs
- Advice and counsel
 - Communication to Agency
 - Make recommendations to EPMO Director on gate approvals
 - Mentor PMs as needed
 - Recommend corrective action and, if necessary, escalate troubled projects
 - Notification to SCIO if significant additional resources, time or money is needed based on risk
 - Provide input to agencies on the planning phase of projects
 - Guidance and assistance in navigation of the project approval process
- Monitoring projects
 - Process improvement
 - Best practice templates
 - Attend project meetings
 - Tools and techniques
 - Identify and log issues and risks in the PPM tool
 - Review all project Issues and Risk and ensure they are being addressed by the PM
 - Ensure agency PM is prepared for upcoming project phases
 - Review RFP's (SOW section), contracts and architectural approaches. Facilitate meetings with Statewide IT Procurement and the Statewide Architectural team.